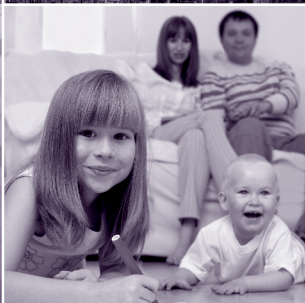
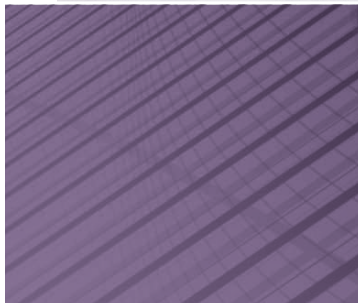




Australian Statistics Advisory Council

Annual Report
2013–14



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The Hon Steven Ciobo MP
Parliamentary Secretary to the Treasurer

I have pleasure in submitting the Annual Report of the Australian Statistics Advisory Council for the year ending 30 June 2014.

The Annual Report outlines the work undertaken by the Council and is submitted to you for presentation to Parliament under sub-section 24(2) of the *Australian Bureau of Statistics Act 1975*.

The Annual Report is dated on the day I approved the text for printing.

Geoff Allen AM
Chairperson

3 October 2014

Australian Statistics Advisory Council



Mission

To ensure that, in keeping with Council's statutory charter, the advice furnished to the Minister and the Statistician, in relation to the collection and dissemination of statistics, has due regard to relative priorities, is objective, relevant, timely, constructive and practical, and that it is sensitive to the needs of both suppliers and users of statistical data.



Caption: The Australian Statistics Advisory Council farewelling former Australian Statistician, Mr Brian Pink, at his final ASAC meeting in Canberra on 12 November 2013.

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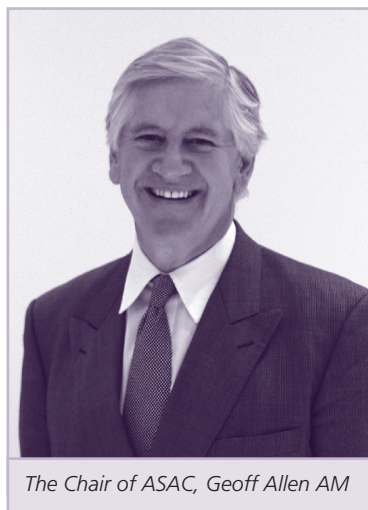
Note: After the first reference in this report, the Australian Statistics Advisory Council is referred to as the Council or ASAC, the Australian Bureau of Statistics is referred to as the ABS and the National Statistical Service is referred to as the NSS.

Foreword

The role of ASAC is to provide guidance to the Minister and the Australian Statistician on the directions of, and priorities for, official statistics. This includes the improvement, extension and coordination of statistical services provided for public purposes in Australia.

The Council met in August 2013, November 2013 and June 2014, with discussions covering a broad range of topics including the:

- ABS's strategic directions and its forward work program;
- ABS's future sustainability and its critical statistical infrastructure transformation program;
- *Essential Statistical Assets for Australia* initiative;
- Council's plans to improve the efficiency and effectiveness of Australia's official statistics;
- ABS's topic recommendations for the 2016 Census of Population and Housing; and,
- ABS's broad directions for the 2016 Census Data Enhancement program.



The meeting in November 2013 provided an opportunity for ASAC members to farewell the Australian Statistician, Mr Brian Pink, who retired in January 2014. I would like to acknowledge Mr Pink's creative and innovative contribution over the last seven years as Australian Statistician, and thank him for his positive approach to working with the Council and his willingness to consider and act on the advice the Council provided.

A particular focus in the meetings has been the ABS's ageing and fragile business systems. ASAC has supported the steps the ABS has taken as a first stage response to replace ageing capital infrastructure. However, ASAC is deeply concerned that, without investment by government, key official statistics are being placed at critical risk and the consequences of a loss of quality will have an economic impact on the government and the wider community. ASAC strongly supports the work on this initiative continuing and will raise the critical nature of achieving further investment by government for this initiative in appropriate forums, as well as with the new Australian Statistician soon after he or she is appointed.

ASAC continues to lead discussions on the need for a national approach to improving the efficiency and effectiveness of Australia's official statistical system. The National Commission of Audit provided an opportunity for ASAC to raise key concerns such as the need to reduce duplication of data collection, standardise definitions and make better use of administrative data. The National Commission of Audit's recognition of the need to improve the use of data in Commonwealth policy development and service delivery is a welcome step in raising the level of awareness of these issues and gathering support for reform of the statistical system.

The Council's desire to see an effective and efficient statistical system led to the 'Crisp Revisited' Project. (The title of this project refers to the work of the Committee on Integration of Data Systems, established in 1973, which undertook a wide ranging examination of Australia's statistical system. The committee was known as the Crisp Committee as its chairman was named LF Crisp.) The Crisp Revisited Project aims to develop a national statistics policy and a business case for reform of the statistical system and will lead to a more efficient statistical system. Another key project ASAC has been leading with the ABS is the *Essential Statistical Assets for Australia* initiative, which will allow for effective prioritisation of investment, focus and effort within the National Statistical Service (NSS). The focus in 2013-14 has been on assessing the quality of the assets present on the list of *Essential Statistical Assets for Australia*, which is an agreed list of the most critical official statistics.

I am pleased to see both of these key projects taking shape this year, as both seek to reform the way in which governments invest in statistics. I look forward to working closely with the new Australian Statistician on these key projects and I appreciate the enthusiasm of Council members and the ABS in progressing these significant initiatives.

Membership

The Council has seen a number of changes to its membership this year with the retirement of Mr Brian Pink as Statistician, as well as the retirements of Ms Pam Davoren and Ms Wendy Sawford, the resignation of Mr Peter Verwer to take up a position overseas, and the terms of Professor Graeme Hugo AO, Ms Louise Sylvan and Mr Michael Taylor AO ending. I would like to take this opportunity to thank departing members for their contributions to the work of the Council. The work Council members undertake to support the activities of the ABS, and further the development of the NSS, is highly valued. In particular I'd like to acknowledge the contributions of long-term members Professor Graeme Hugo and Ms Louise Sylvan; their ongoing commitment to the Council over many years has been greatly appreciated.

It has been another busy year for the Council. I would like to thank Council members for their dedication and their support for ABS activities during the year. I would like to acknowledge and thank the Parliamentary Secretary to the Treasurer, the Hon Steven Ciobo MP, for his support of the ABS and his interest in the Council.

I would also like to convey my appreciation to the ABS staff members who provide secretariat services to the Council, arranging our meetings each year and administering ASAC memberships.

I look forward to continuing to work with the Council, the Parliamentary Secretary to the Treasurer, State and Territory Governments and other key stakeholders in the National Statistical Service to build a richer portfolio of official statistics for Australia.

This report will be available on the Council website (www.asac.gov.au), which also contains information about the Council, including meetings, functions and membership.

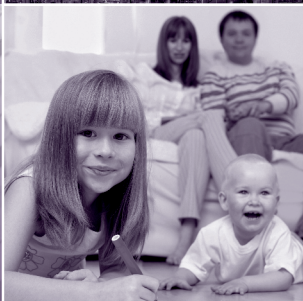
Geoff Allen AM

Chairperson



Chapter 1

About ASAC



Chapter 1

About ASAC



ASAC was established by the *Australian Bureau of Statistics Act 1975*.

Under subsection 18(1) of the *Australian Bureau of Statistics Act 1975*, the Council is to advise the Minister and the Australian Statistician on:

- (a) *the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;*
- (b) *annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and*
- (c) *any other matters relating generally to those statistical services.*

The Act enables the Minister and/or the Australian Statistician to seek the advice of Council on these matters. The Council works closely with the Australian Statistician and the Council Chair meets regularly with the Minister to ensure advice and assistance is readily available to them.

The Act provides that the Council shall consist of a part-time Chair, the Australian Statistician (ex officio), and between ten and 22 part-time members, including one nominee from each State Premier or Territory Chief Minister. The responsible Minister appoints the Council Chair for five years and members for periods of up to three years. Members are eligible for reappointment when their membership expires. The membership of the Council as at 30 June 2014 is detailed at Appendix 1.

Subsection 24(2) of the Act provides that: *the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act.*



Chapter 2

Summary of Activities for 2013–14



Chapter 2

Summary of Activities for 2013–14



The Council held three meetings during 2013-14, on 21 August 2013, 12 November 2013 and 17 June 2014. (See Appendix 3 for agenda listings.)

National Statistical Service (NSS) and ASAC's Role

The Council continues to focus on improving coordination, integration and cohesion of national statistics and making better use of administrative data sources.

The ASAC conceived and driven Crisp Revisited Project aims to make improvements to Australia's national statistical system. A key focus this year has been the development work undertaken on a forward-looking national statistics policy. The draft policy has two aims: to present a vision and goals for the national statistical system, and to provide a coordination mechanism which would improve the overall functionality and utility of the national statistical system.

Various Council members have been involved in stakeholder consultations with the ABS to assist in developing this draft national statistics policy. The ASAC Chair and some Council members took part in the Crisp Revisited Reference Group meeting in March 2014 to further develop the draft policy. The draft policy was also discussed at the June 2014 ASAC meeting which provided an opportunity for those Council members who had not been directly involved to provide input. The policy aims to be equally relevant to state and territory governments and the Australian Government.

ASAC continues to work closely with the ABS to progress the *Essential Statistical Assets for Australia* initiative. Phase 1 of this project, the identification of the Essential Statistical Assets, was completed last year with 74 statistical assets identified. Work is underway concurrently on Phase 2 and Phase 3 of the initiative. Phase 2 aims to assess the quality of the statistical assets and provide an understanding of how well the currently produced information meets the critical needs of users, highlighting any gaps within existing statistics. Phase 3 of the initiative aims to identify the underlying essential statistical infrastructure, which represents a critical component of Australia's statistical system. Phase 4 has also been progressed to determine priorities for investment in the national statistical system.

ABS Future Sustainability

As noted in the *2012-13 ASAC Annual Report*, the Council is concerned by the ageing and fragile infrastructure held by the ABS and the high risk this poses to key national statistical outputs. The Council held an extraordinary meeting in August 2013 to provide advice and input to the ABS in the development of a business case to bring to government regarding its Critical Statistical Infrastructure Program. Members noted the compelling need for transformation combined with the government's need to have quality evidence during times of increasing volatility made for a strong case for investment. ASAC supports the ABS in going forward with this business case to government.

ABS Forward Work Program

In light of the difficult financial situation facing the ABS, and despite positive efforts in finding productivity savings, ASAC agreed that the ABS would have to reduce its statistical work program to meet its appropriation. Council members were disappointed by this decision and emphasised that all the work of the ABS is valued by the Australian community. ASAC supported the considered approach undertaken by the ABS to ensure that, in making these difficult decisions, the ABS's resources are used to the maximum benefit of governments and the broader community.

ASAC considered a framework proposed by the ABS for prioritising the ABS statistical program using a tiered approach (please see table 1). ASAC noted the work that the ABS had done in seeking input from key stakeholders on the statistical priorities to inform the final decision on the work program. The ABS has had to discontinue or reduce outputs in areas that are valued by the users of those statistics. If funding is provided for the work the ABS is ceasing, ABS advised ASAC that the ABS would reinstate it. ASAC agreed that the recommended work program in 2014-15 will continue to meet Australia's core statistical needs.

Table 1 - Mapping of the ABS work program

Tier		Component
Core	Tier 0	Essential institutional statistical capability and infrastructure required to deliver a quality National Statistical Service and remain relevant and sustainable as Australia's National Statistical Organisation. This includes systems and processes, methods, people capability, register and frames and standards, classifications and conceptual frameworks, data integration, dissemination and technology capabilities.
	Tier 1	Statistics that are considered to be the foundation work of a national statistical organisation.
	Tier 2	Important areas of statistics where there is a significant government outlay or where there is a significant public policy interest.
Other	Tier 3	Other important statistical work that is currently undertaken to meet identified user requirements that could be deemed as falling beyond tiers 1 to 2.

2016 Census of Population and Housing

A key topic of discussion at Council meetings this year has been the 2016 Census and the opportunities that a digital Census will provide in the future. The 2016 Census will be the first Australian Census that is predominantly digital, with the online form the primary method of response. In situations where this approach is not suitable, the traditional paper based form will be available. Council recognises this is an important step towards the future of a completely digital Census, which would allow the collection of more detailed information for specific population groups, by tailoring a path through the electronic form based on their reporting patterns.

The ABS has held an extensive public consultation process seeking feedback on the content of the 2016 Census to ensure the content is relevant and suitable to stakeholder needs. ASAC is pleased with the consultative and thorough approach the ABS has undertaken in determining stakeholder needs and has provided feedback and advice during this process.

Following assessment of the public submissions, recommendations on the nature and content of the 2016 Census were discussed at the ASAC meeting in June 2014. The ABS will undertake final testing, including the running of the Census major test in August 2014, prior to making a submission to the Australian Government outlining recommendations on the nature and content of the 2016 Census. The content of the 2016 Census is expected to be known in 2015.

2011 Census Data Enhancement Program Outcomes

ASAC considered the outcomes of the 2011 Census Data Enhancement (CDE) program in the June 2014 meeting and provided advice around early thinking for the 2016 CDE program.

The key projects in the 2011 program linked the 2011 Census data to:

- the Department of Immigration and Border Protection's Migrant Settlement Database to provide greater insight into the settlement outcomes of permanent migrants to Australia; and,
- Aboriginal and Torres Strait Islander death registrations to improve the quality of Indigenous mortality and life expectancy datasets.

In addition, the ABS created the Australian Census Longitudinal Dataset (ACL) which brings together a 5% sample from the 2006 Census with corresponding records from the 2011 Census to create a research tool for exploring how Australian society is changing over time.

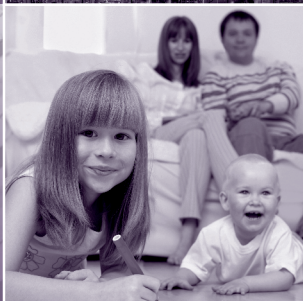
Council members acknowledged the 2011 CDE program had been highly successful, significantly maximising Census data and growing opportunities for policy relevant research and highlighted the popularity of the ACL among researchers.

Council members noted it will be very important to ensure future CDE projects do not outpace community expectations. The ABS will be consulting with the community, privacy authorities and stakeholders in advance of the 2016 Census.



Chapter 3

The Year Ahead – 2014–15



Chapter 3

The Year Ahead – 2014–15



ASAC members have agreed on the following issues as Council priorities in 2014-15:

Statistical Directions and Priorities

Over the next 12 months the Council will advise the Statistician and the Minister on statistical services and priorities on the ABS work program for 2014-15 to 2017-18. In addition, the Council will advise the ABS on the directions and priorities it should be considering to enable it to remain relevant as Australia's National Statistical Organisation (NSO) in the longer term. Obviously, a key focus for the Council in the year ahead will be to work closely with the new Australian Statistician, once appointed, to ensure advice and assistance is readily available to him or her. The Council will continue to engage with members of international statistics committees to gain insights into priorities and risks facing other NSOs around the world.

ABS Future Sustainability

ASAC continued to be concerned about the ABS's ageing infrastructure and systems and stressed the urgency of the need for major investment in infrastructure, systems, and processes. Without this members were concerned about future risks in data management, modernisation and adaptation required by ongoing resource constraints.

National Statistical Service

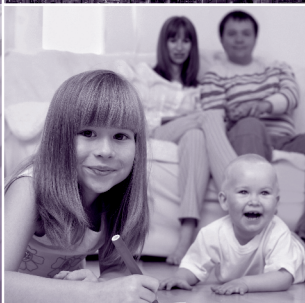
Improving the national statistical system is a key focus for the Council. Work on the Crisp Revisited Project will continue with consultation at the state level to further refine the draft national statistics policy. In addition, a situational analysis of the national statistical system, paying particular attention to opportunities, will be undertaken. Both these bodies of work will help inform the development of a business case for reform to Australia's statistical system. The views of the new Australian Statistician will be important in taking this work forward.

The Council will continue to champion the *Essential Statistical Assets for Australia* initiative and looks forward to the results of the Phase 2 quality assessments being released in 2014-15. ASAC also expects work to continue on Phase 3 of the initiative, identifying the underlying Essential Statistical Infrastructure (ESI). The Council continues to work closely with the ABS to progress Phase 4 of the *Essential Statistical Assets for Australia* initiative and consider priorities for investment in the statistical system.

Census of Population and Housing

The Council looks forward to assisting the ABS in achieving its plans for a predominantly digital Census for the 2016 Census of Population and Housing and will continue to receive regular updates on progress and provide advice as required.

Appendices



Appendix 1

Membership of ASAC



Member	Date first appointed
Mr Geoff Allen AM Director, ACIL Allen Consulting	1 March 2007
Mr Jonathan Palmer Acting Australian Statistician	(ex officio)
Mr Michael Court Executive Director, Western Australian Department of Treasury	27 July 2011
Mr Matt Cowgill Project Officer, Australian Council of Trade Unions	23 May 2011
Mr Clem Doherty Chairman, Like Minded Individuals Pty Ltd	1 May 1997
Mr Saul Eslake Chief Economist, Australia & New Zealand, Bank of America Merrill Lynch Australia	8 November 2010
Dr David Gruen Executive Director, Macroeconomic Group (Domestic), Australian Treasury	18 June 2010
Ms Elaine Henry OAM Chair, Australian Research Alliance for Children and Youth	15 May 2005
Professor Lisa Jackson Pulver AM Chair Indigenous Health, Professor Public Health, Unit Director Muru Marri Indigenous Health Unit, School of Public Health & Community Medicine, Faculty of Medicine, University of New South Wales	8 April 2013
Dr David Johnson Director, Macroeconomic and Revenue Forecasting, Victorian Department of Treasury and Finance	7 November 2010
Mr Chris McGowan Director, National and State Reporting, Cabinet Office, South Australian Department of Premier and Cabinet	22 May 2011

Member	Date first appointed
Mr Bruce Michael Deputy Under Treasurer, Northern Territory Treasury	30 January 2013
Dr James Moody CEO, TuShare	15 May 2005
Mr Antony Skinner Director and Queensland Government Statistician, Economic and Structural Policy, Queensland Treasury and Trade	8 April 2013

Changes in Membership between 1 July 2013 and 30 June 2014

The following members left ASAC during 2013-14 (either because they retired, resigned or their terms expired):

Ms Pam Davoren

Professor Graeme Hugo AO

Mr Brian Pink

Ms Wendy Sawford

Ms Louise Sylvan

Mr Michael Taylor AO

Mr Peter Verwer

Appendix 2

Operation of ASAC



The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

The Chairperson of the Council receives an annual fee, set by the Remuneration Tribunal, and members are reimbursed their travel costs, where applicable. Apart from the Chairperson, no members receive remuneration for serving on the Council.

Secretariat services for ASAC are provided by the ABS. The office of ASAC Secretary is held by the Assistant Statistician, Office of the Statistician and External Engagement. Secretariat support provided by the ABS includes organising and recording meetings, administering membership and the members' website, and the preparation of the Council's Annual Report.

All costs outlined above are met from within the ABS Budget.

Appendix 3

Agenda for ASAC Meetings



17 June 2014 Meeting – Agenda

1. Summary Record of Previous Meeting
2. Chairperson's Welcome and Introductory Remarks
3. Statistician's Report
4. ABS Forward Work Program
5. Update on Crisp Revisited Project
6. Census 2016 Final Topic Recommendations
7. Outcomes of the 2011 Census Data Enhancement Program and Broad Directions for the 2016 Census Data Enhancement Program

12 November 2013 Meeting - Agenda

1. Summary Record of Previous Meeting
2. Introduction and Chairperson's Report
3. Statistician's Report
4. ABS Strategic Directions
5. Update on ABS 2017 Transformation
6. 2016 – Census Topics Consultation
7. *Essential Statistical Assets for Australia* – Essential Statistical Infrastructure and Quality Assessment Update
8. ASAC 2014 Meeting Agendas
9. ABS Enterprise Risks
10. Bringing Forward Member Issues
11. Members Closed Session

21 August 2013 Meeting - Agenda

An extraordinary meeting was held on 21 August 2013 to discuss the Critical Statistical Infrastructure Program and the second pass business case.

Appendix 4

Freedom of Information Statement



Below is a statement, as required by section 8 of the *Freedom of Information Act 1982*, about the structure of ASAC and how members of the public can obtain access to information held by it.

Establishment, Organisation and Functions

For information regarding the establishment, organisation and function of ASAC see Chapter 1 – About ASAC.

Powers

As an advisory body, ASAC has no decision-making or other powers directly affecting members of the public. It does not administer any enactments or schemes.

Arrangements for Outside Participation

ASAC members are appointed by the Minister responsible for the ABS so that a broad range of views and interests are reflected in the advice that it offers to the Minister and the Australian Statistician. For membership details see Appendix 1.

Persons or bodies outside the Australian Government administration may participate in the Council's policy formulation by making representations to the Minister or the Chairperson on matters of concern to them.

Categories of Documents

The ASAC Annual Report, which is tabled in Parliament, is available from all ABS offices, and on the ASAC and ABS websites. The ABS maintains files, on behalf of ASAC, which contain documents relating to: the administration of the Council; papers discussed at Council meetings; summary records of proceedings of meetings; and correspondence relating to the activities of the Council.

Freedom of Information Procedures and Initial Contact Points

All inquiries concerning access to documents, including inquiries under the *Freedom of Information Act 1982*, may be directed to:

Secretary

Australian Statistics Advisory Council
c/- Australian Bureau of Statistics
Locked Bag 10
Belconnen ACT 2616
Telephone: 02 6252 5448